

OCT 1 5 2007

VIA U.S. MAIL

Jan W. Baran Wiley Rein & Fielding LLP 1776 K Street, N.W. Washington, DC 20006

RE: MUR 5819

U.S. Chamber of Commerce

Dear Mr. Baran:

On June 28, 2007, we notified you that the Federal Election Commission (the "Commission") found reason to believe that the United States Chamber of Commerce (the "Chamber") violated 2 U.S.C. §§ 441b(a) and 441d(a)(3). On July 30, 2007, you submitted a response to the Commission's reason to believe findings. After considering the circumstances of the matter, including the relatively small amount in violation, the Commission determined on October 11, 2007, to take no further action as to the Chamber, and closed the file in this matter. The Factual and Legal Analysis, which explains the Commission's decision is enclosed for your information.

The Commission nevertheless admonishes the Chamber that it violated 2 U.S.C. § 441b(a) by spending approximately \$2,500 for a telephone message that expressly advocated the election of a candidate for federal office. The Commission further admonishes the Chamber that by failing to include its street address, telephone number or Web address, and state that the message was not authorized by a candidate or candidate's authorized committee, the Chamber appears to be in violation of 2 U.S.C. § 441d(a)(3). Your client should take steps to ensure that this activity does not occur in the future.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

MUR 5819 U S. Chamber of Commerce Page 2

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Adam Schwartz

Attorney

Enclosure
Factual and Legal Analysis

FEDERAL ELECTION COMMISSION FACTUAL AND LEGAL ANALYSIS

Respondent: United States Chamber of Commerce MUR: 5819

I. <u>INTRODUCTION</u>

This matter arises from a complaint alleging that the U.S. Chamber of Commerce (the "Chamber") violated the Federal Election Campaign Act of 1971, as amended (the "Act"), by using corporate funds to finance the production and dissemination of an automated telephone message expressly advocating the election of Ed Case, former Representative to the U.S. House of Representatives for the Second District of Hawaii and a candidate for the Democratic nomination for U.S. Senate for Hawaii in 2006. On June 28, 2007, the Commission found reason to believe that the Chamber violated 2 U.S.C. § 441b(a) by using corporate funds to pay for an automated telephone message that expressly advocated the election of Ed Case to the United States Senate and violated 2 U.S.C. § 441d(a)(3) by failing to include language in the message stating the Chamber's street address, telephone number or Web address, and that the message was not authorized by a candidate or candidate's authorized committee.

II. <u>DISCUSSION</u>

In its response, the Chamber stated that it hired the telemarketing company Feather,

Larson & Synhorst to produce and disseminate the automated telephone message throughout

Hawaii. See Response. According to the response, Feather, Larson & Synhorst placed a total of

54,979 telephone calls and billed the Chamber \$2,474.06. See id.

This amount appears to be a reasonable fee for the services provided According to the rate quoted on-line by the telemarketing firm VoiceShot, the charge for every successful 60-second robocall made is \$.12. See http://www.voiceshot.com/public/outboundpricing.asp (visited August 28, 2007). The Chamber's message is approximately 35 seconds in length. In addition, we do not know how many of the 54,979 calls made were successful

III. <u>CONCLUSION</u>

Based on the relatively small amount in violation, the Commission takes no further action other than to admonish the United States Chamber of Commerce that its actions violated 2 U.S.C. §§ 441b(a) and 441d(a)(3).